

— POLICY INFORMATION NOTICE —

2002-18

DATE: April 30, 2002

DOCUMENT TITLE: Creating a Financial
Recovery Plan.

TO: Community Health Centers
Migrant Health Centers
Healthy Schools, Healthy Communities Grantees
Health Care for the Homeless Grantees
Health Services for Residents of Public Housing Grantees
Primary Care Associations
Primary Care Offices
Federally Qualified Health Centers

This Policy Information Notice provides guidance and Bureau expectations for development, implementation and monitoring a Financial Recovery Plan. This document provides suggested activities and examples of reports and worksheets that should be used by grantees in developing a response to a request for such a plan. Additionally, guidance is provided on the types of periodic reports and reporting processes the Bureau considers necessary to meet monitoring and oversight responsibilities.

If you have any additional questions regarding this document, please contact the Office of Grants Management, attention: Mike Rowland at 301-594-4243 or e-mail mrowland@hrsa.gov.



William D. Hobson
Acting Director, Bureau of Primary Health Care

Attachments

BPHC POLICY INFORMATION NOTICE: 2002-18

DATE: APRIL 30, 2002

**CREATING A FINANCIAL RECOVERY PLAN
REQUIREMENTS FOR SECTION 330 CONSOLIDATED HEALTH CENTERS**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH RESOURCES AND SERVICES ADMINISTRATION
BUREAU OF PRIMARY HEALTH CARE**

I PURPOSE

This Policy Information Notice (PIN) describes the Bureau of Primary Health Care's (BPHC) requirements for developing, submitting, and reporting on a Financial Recovery Plan (FRP). This plan will be required when it is determined that an organization supported with a Federal grant awarded by the BPHC has serious financial problems that threaten both its stability and viability. Some but not all of the situations the BPHC may request a FRP include:

- ◆ where a Primary Care Effectiveness Review, Joint Commission on Accreditation of Health Care Organizations Review or other site visit findings that identifies serious financial problems;
- ◆ a pattern of draw down of grant funds from the payment management system that could result in an organization having limited or no Federal grant funds to support payment of operating expenses in the months before the end of a budget period;
- ◆ grantee has requested emergency supplemental funding on future year's funding;
- ◆ an impending or actual financial problem;
- ◆ audit report findings; or
- ◆ the Field Office determined that significant financial imbalances exist and there is a need for a FRP.

A FRP serves as a short-to-intermediate-term plan to guide financially-troubled organizations toward financial stability and can be used as a guide for development of long term plans needed for complete financial recovery. It is designed to provide the organization's staff, the Board of Directors and the BPHC with measurable, timeframed objectives which permit monitoring of progress.

II CONTENT

The FRP should include the following sections:

A. Analysis of the Cause of the Current Problem.

Include a discussion of the data reviewed and the processes used in the analysis. The causes, conclusions and recommendations should be identified and discussed in detail sufficient for a clear understanding of what actions are needed. For example, a cash flow crisis may result from the loss of provider staff without a combination of: a corresponding reduction in associated overhead and direct support activities; timely replacement of provider staff; or, limited working capital and operating reserves. Justification, assumptions and support for the conclusions and recommendations should be included in the narrative or in attachments or appendices to the recovery plan.

B. Timeframed Description of Proposed Solutions or Corrective Actions.

Address in detail **all** the causes identified in section A. Describe the actions that will implement the recommended recovery actions in a timeframed, results specific format. When completed, these actions should correct the problems identified, return the organization to solvency, and leave the program financially stable. A format for development of a timeframed corrective action plan is presented in Attachment A as an example. This format or another may be used. However presented, the plan should be clear and specific as to recovery actions required, expected results, responsible groups or individuals and when the actions were, or will be, completed in detail.

C. Time Framed Financial Projections.

It is the BPHC's expectation that financial statements of Health Centers reflect the following:

- ◆ net cash flow being zero or greater for 2 of the last 3 audited fiscal years,
- ◆ working capital greater than 2.0 months of expenditures,
- ◆ long term liabilities as a percent of total net assets are .25 or less,
- ◆ the average age of accounts payable are 60 days or less,
- ◆ positive net assets that have increased in 3 of the last 5 audited fiscal years,
- ◆ expenditures are appropriately time phased and according to budget,
- ◆ revenues are received as in a timely manner and in accordance with budget,
- ◆ no other significant financial issues.

The Financial Recovery Plan must include detailed, month-by-month financial projections to the point at which the organization has a positive net cash flow and an increase in net assets from operations in the financial statements for a sustained 12-month period. The recovery plan should include all of the estimated time required to meet a minimum acceptable level of recovery. The plan can begin at any time and extend beyond the current budget and fiscal year end. Generally, the first month shown will be the month of submission. If, however, the recovery plan has already been placed into effect and the grantee wishes to show progress to date, an earlier month may be chosen. Examples of a financial plan and financial reports are attached. These examples can be downloaded as an Excel workbook from the BPHC grants web page at www.bphc.hrsa.gov.

In accordance with Office of Management and Budget Circular A-133, annual financial **audits are due within 30 days of receipt from the auditor**. Audits must be submitted no later than 9 months after the end of a fiscal year. The requirement to submit the annual audit to the Office of Grants Management within 30 days of receipt from the auditor is established in the reporting requirements of the Notice of Grant Award. The

BPHC will not consider financial recovery complete until verified by the annual independent audit. The audit should reflect:

- ◆ that there is not a deficit in net assets,
- ◆ long-term debt to equity less than .5,
- ◆ an increase in net assets from operations for the audited financial statements,
- ◆ average age of accounts payable is 60 days or less,
- ◆ a current ratio above 1.5 and
- ◆ no other outstanding financial issues,
- ◆ submission of the audit within 30 days of receipt from the auditor.

To insure that all expenses requiring cash for payment and revenues reflecting productivity for a period are reported in the period incurred, the monthly projections of financial operations must be accrual based. Projected income should be specific as to source and amount. Detail should include gross patient service income, discounts and adjustments to patient service revenue, grant, contract and other income. Patient service income, including discounts and allowances, should be presented by payor source; the number of visits/encounters and capitated lives. Expenditures should be broken down into categories used in the BPHC grant application guidance. The recovery plan must also include a monthly cash flow budget projecting all cash receipts and disbursements including beginning and ending cash balances, cash receipts from operating revenues, proceeds from new loans and proceeds from sales of assets. Monthly cash flow projections should include debt reduction, including payments on old payables, negotiated payments for reduction of operating debt, and debt service of short and long-term debt..

The narrative to the financial portion of the FRP should discuss the assumptions used in the projections. An explanation of projections that are different from current experience should be provided. Some of the more important assumptions that should be supported by back up detail include changes in collection rates, changes in Full Time Equivalent provider staff and provider mix, changes in payor mix, and other State and local revenues. Estimated productivity by provider, including the assumptions and support for these estimates, must also be included in the FRP. Fixed assets and equipment used to secure debt should be identified and discussed.

Board approved financials that include accrual based balance sheet and income statement, and a cash flow statement inclusive of the months of your fiscal year before the month the revised recovery plan is implemented should be included as a part of the recovery plan documents.

D. Board Approval

The Board Of Directors (BOD) must approve the financial recovery plan. Please indicate date of meeting at which the FRP received BOD approval.

III MONITORING EVALUATION PROCESS

It is critical that the BOD understand the substance and the implications of the budget developed under this guidance. The BOD function is not direct involvement in the day to day operation of the clinic. However, it is the responsibility and function of the BOD to monitor and evaluate the recovery plan both initially and on an ongoing basis, to ensure a successful financial recovery. The BOD monitoring should include monitoring baseline financial and performance indicators similar to those discussed in this document and/or others. Briefly describe the implementation, monitoring and evaluation process the organization plans to use. Explain how corrective actions will be identified and implemented if expectations are not being met or goals must be adjusted.

Financial recovery will be monitored on a month-to-month basis by the BPHC Grants Management and Field Office staff. Grant conditions will require monthly submission of board approved budget comparative financial, cash flow and productivity reports. Grant conditions will also require narratives to these reports explaining significant variances between budgeted and actual income and expenditures as well as projected and actual cash receipts and disbursements. The recovery process may also involve monitoring of draw down of Federal funds using Form SF 270, Request of Disbursement. Draw downs will be authorized based upon the organizations approved FRP Cash Flow Budget. A justification and updated recovery plan reflecting the change must be submitted with any changes to the draw down schedule in the approved FRP Cash Flow Budget.

Other narrative, financial and productivity reports may also be required.

For additional information on the process described in this PIN, please contact Mike Rowland, Chief, Awards and Compliance Branch, Office of Grants Management at (301) 594-4243 or e-mail at mrowland@hrsa.gov.

ATTACHMENT A: SAMPLE PLAN FORMAT.

GUIDE FOR DEVELOPING FINANCIAL RECOVERY PLANS IN TABLE FORMAT

Problem Statements are clearly defined descriptions of major problems, as discussed in this PIN. Assign each problem statement a Roman numeral (I, II, III, etc.)

Column 1: Objectives - Objectives are descriptions of desired, measurable, time-limited results or outcomes. These objectives can be used to identify an acceptable level of performance or establish criteria for evaluation. Objectives can be either short-term (less than 1 year) or long-term (1 year or longer). Assign each objective The Roman Numeral associated with the problem plus a capital letter (I.A., II.A., II.B., etc.)

Column 2: Action Steps - the major activities that must occur to accomplish an objective - critical actions that must be taken to attain the measurable outcome or end result. Reference each step by corresponding upper case letter for the objective and a number for the action step (A.1., A.2., etc.) The date when each action step is expected to occur should also be stated.

Column 3: Evaluation Method - the method which will be used to evaluate progress towards an objective or to identify the actual outcome distinguished in the objective. For example, working capital greater than 1.5 months of expenditures. Reference each step by using the corresponding code for the objective and/or action step.

Column 4: Progress/Outcome - accomplishments to date; action steps and date thereof actually taken towards an objective; outcomes that have been experienced, quantified/qualified and documented. This column will not be used in the first submission, but will be used as and when narrative progress reports are required. Reference each progress statement in the same manner as noted above for related Evaluation Method.

PROBLEM STATEMENT I: [Brief description of problem — detail will be in the narrative statement.]

Objectives	Key Action Steps Planned and Date of Implementation	Evaluation Methods or Data Sources Planned	Progress
OBJECTIVE I.A:	I.A.1.	I.A. I.A.1.	
	I.A.2.	I.A.2.	
	I.A.3.	I.A.3.	
OBJECTIVE I.B.	I.B.1.	I.B. I.B.1.	
	I.B.2.	I.B.2.	

PROBLEM STATEMENT I, continued

Objectives	Key Action Steps Planned and Date of Implementation	Evaluation Methods or Data Sources Planned	Progress

BUDGET FOR YEAR ENDING DECEMBER 20XX		ANY BPHC HEALTH CENTER OPERATING BUDGET														
		FTE'S	ENC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTALS
PROVIDER 1	FP	1.00	4,552	414	414	414	414	414	414	414		414	414	414	414	4,552
PROVIDER 2	PED	0.50	4,676							300	350	400	425	425	425	2,325
PROVIDER 3	NP	0.33	3,287									200	250	299	299	1,048
TOTAL ENCOUNTERS				414	414	414	414	414	414	714	350	1,014	1,089	1,138	1,138	7,925
PATIENT SERVICE REVNUUE																
GROSS CHARGES FOR SERVICES																
		PERCENT	RATE													
NONE/UNINSURED		59.667%	60	14,814	14,814	14,814	14,814	14,814	14,821	25,554	12,530	36,294	38,983	40,731	40,731	283,776
MEDICAID		22.373%	60	5,555	5,555	5,555	5,555	5,555	5,557	9,582	4,698	13,609	14,617	15,272	15,272	106,442
MEDICARE		7.453%	60	1,851	1,851	1,851	1,851	1,851	1,851	3,192	1,565	4,534	4,870	5,088	5,088	35,501
OTHER PUBLIC		4.221%	60	1,048	1,048	1,048	1,048	1,048	1,048	1,808	886	2,567	2,758	2,881	2,881	20,129
PRIVATE		6.286%	60	1,561	1,561	1,561	1,561	1,561	1,561	2,692	1,320	3,824	4,107	4,291	4,291	29,950
TOTAL GROSS CHARGES		100.000%		24,828	24,828	24,828	24,828	24,828	24,840	42,828	21,000	60,828	65,335	68,263	68,263	475,798
DISCOUNTS/ADJUSTMENTS																
MEDICAID		10.00%		1,481	1,481	1,481	1,481	1,481	1,482	2,555	1,253	3,629	3,898	4,073	4,073	28,372
MEDICARE		10.00%		555	555	555	555	555	556	958	470	1,361	1,462	1,527	1,527	10,638
OTHER PUBLIC		10.00%		185	185	185	185	185	185	319	157	453	487	509	509	3,544
PRIVATE		10.00%		105	105	105	105	105	105	181	89	257	276	288	288	2,007
TOTAL DISCOUNTS & ADJ				2,327	2,327	2,327	2,327	2,327	2,328	4,014	1,968	5,700	6,123	6,397	6,397	44,561
SLIDING FEE		70.00%		10,370	10,370	10,370	10,370	10,370	10,375	17,888	8,771	25,406	27,288	28,512	28,512	198,601
NET PATIENT SERVICES REVENUE																
NONE/UNINSURED				4,444	4,444	4,444	4,444	4,444	4,446	7,666	3,759	10,888	11,695	12,219	12,219	85,115
MEDICAID				4,073	4,073	4,073	4,073	4,073	4,075	7,026	3,445	9,979	10,719	11,199	11,199	78,010
MEDICARE				1,295	1,295	1,295	1,295	1,295	1,296	2,234	1,095	3,173	3,408	3,561	3,561	24,803
OTHER PUBLIC				863	863	863	863	863	863	1,488	730	2,114	2,271	2,372	2,372	16,525
PRIVATE				1,456	1,456	1,456	1,456	1,456	1,457	2,511	1,231	3,567	3,831	4,003	4,003	27,883
TOTAL NET PATIENT SERVICE REVENUES				12,131	12,131	12,131	12,131	12,131	12,137	20,926	10,261	29,722	31,923	33,355	33,355	232,336
OTHER REVENUES																
STATE GRANTS																
LOCAL GRANTS																
CONTRACTS																
FEDERAL GRANT																
OTHER REVENUES																
TOTAL OTHER REVENUES				-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES				12,131	12,131	12,131	12,131	12,131	12,137	20,926	10,261	29,722	31,923	33,355	33,355	232,336

The titles used here are simple illustrative examples.
They should be edited meet to individual needs.
Additional lines can be inserted as needed, where
needed. Subtotals are provided using the sum function.
Lines added within categories will automatically subtotal.

BUDGET FOR YEAR ENDING DECEMBER 20XX	ANY BPHC HEALTH CENTER OPERATING BUDGET														
	FTE'S	ENC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTALS
EXPENSES															
PERSONNEL	RATE														
EXECUTIVE DIRECTOR	75,000		6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	75,000
SECRETARY	15,000			1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	13,750
RECEPTIONIST	15,000					1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	11,250
ACCOUNTANT	50,000		4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
BILLING CLERK	18,000		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
PROVIDER 1	120,000		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
PROVIDER 2	120,000								10,000	10,000	10,000	10,000	10,000	10,000	60,000
PROVIDER 3	60,000										5,000	5,000	5,000	5,000	20,000
TOTAL PAYROLL COSTS			21,917	23,167	23,167	24,417	24,417	24,417	34,417	34,417	39,417	39,417	39,417	39,417	368,000
FRINGES	22.000%		4,822	5,097	5,097	5,372	5,372	5,372	7,572	7,572	8,672	8,672	8,672	8,672	80,960
TOTAL PERSONNEL COSTS			26,738	28,263	28,263	29,788	29,788	29,788	41,988	41,988	48,088	48,088	48,088	48,088	448,960
CONTRACT EXPENSES															
AUDIT				2,500		2,500									5,000
LOCUM TENUMS										15,000					15,000
LABORATORY	5.00		2,069	2,069	2,069	2,069	2,069	2,070	3,569	1,750	5,069	5,445	5,689	5,689	39,625
EQUIPMENT RENTAL			1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
TOTAL CONTRACT EXPENSES			3,069	5,569	3,069	5,569	3,069	3,070	4,569	17,750	6,069	6,445	6,689	6,689	71,625
SUPPLIES EXPENSE															
MEDICAL	1.00		414	414	414	414	414	414	714	350	1,014	1,089	1,138	1,138	7,925
DENTAL															
OFFICE			200	200	200	200	200	200	200	200	200	200	200	200	2,400
CLEANING			350	350	350	350	350	350	350	350	350	350	350	350	4,200
TOTAL SUPPLIES			964	964	964	964	964	964	1,264	900	1,564	1,639	1,688	1,688	14,525
EQUIPMENT				35,000											
TRAVEL						1,000				1,000				1,000	3,000
OTHER EXPENSES															
As with the previous page, the titles used here are illustrative only and should be modified to meet the need.															
RENT			1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
POSTAGE															
UTILITIES			200	200	200	200	200	200	200	200	200	200	200	200	2,400
PHONE			300	300	300	300	300	300	300	300	300	300	300	300	3,600
OTHER			150	150	150	150	150	150	150	150	150	150	150	150	1,800
INSURANCE	1.00		1,241			1,242			2,078			3,364		9,063	16,988
TOTAL OTHER EXPENSES			3,391	2,150	2,150	3,392	2,150	2,150	4,228	2,150	2,150	5,514	2,150	11,213	42,788
TOTAL EXPENSES			7,424	43,683	6,183	10,924	6,183	6,184	10,060	21,800	9,783	13,598	10,526	20,589	131,937
TOTAL EXPENSES AND PAYROLL			34,163	71,946	34,446	40,713	35,971	35,972	52,049	63,788	57,871	61,686	58,615	68,677	580,897
TOTAL REVENUES OVER (UNDER) BUDGET			(22,031)	(59,815)	(22,315)	(28,581)	(23,840)	(23,835)	(31,122)	(53,527)	(28,150)	(29,763)	(25,260)	(35,323)	(348,562)

Any BPHC Health Center
Statement of Activities/Income Statement
One month ending September 30, 2001

	Current			One month ending Sept 30, 2001			Annual
	MTD Budget	MTD Actual	MTD Variance	YTD Budget	YTD Actual	(unfavorable)Y TD Variance	FYE 00/01 Budget
Revenues							
Patient Services Revenue	1,250.00	950.00	(300.00)	1,250.00	950.00	(300.00)	15,000.00
Grants	1,050.00	1,050.00	-	1,050.00	1,050.00	-	12,600.00
Other Support	1,000.00	800.00	(200.00)	1,000.00	800.00	(200.00)	12,000.00
Total Revenue	3,300.00	2,800.00	(500.00)	3,300.00	2,800.00	(500.00)	39,600.00
Expenses							
Salaries & Wages	1,500.00	1,600.00	(100.00)	1,500.00	1,600.00	(100.00)	18,000.00
Fringe Benefits	400.00	400.00	-	400.00	400.00	-	4,800.00
Supplies	500.00	500.00	-	500.00	500.00	-	6,000.00
Contracts	500.00	400.00	100.00	500.00	400.00	100.00	6,000.00
Travel	100.00	150.00	(50.00)	100.00	150.00	(50.00)	1,200.00
Other	250.00	175.00	75.00	250.00	175.00	75.00	3,000.00
Total Expenses	3,250.00	3,225.00	25.00	3,250.00	3,225.00	25.00	39,000.00
Change in Net Assets from Operations	50.00	(425.00)	(525.00)	50.00	(425.00)	(525.00)	600.00
Other Items							
Capital Asset Investment	100.00	100.00		100.00	100.00		100.00
Non Operating/Restricted							
Other							
Prior Period Adjustment							
Total Other Items	100.00	100.00	-	100.00	100.00	-	100.00
Total Change in Net Assets	150.00	(325.00)	(525.00)	150.00	(325.00)	(525.00)	700.00

GAAP requires that Federal grants be reflected as income or as an increase in net assets only after services/expenses associated with earning the revenue are provided/incurred.

ANY BPHC HEALTH CENTER Detail Cash Flow Budget													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
BEGINNING CASH BALANCE	100.00	(400.00)	(900.00)	(1,400.00)	(1,900.00)	(2,400.00)	(2,900.00)	(3,400.00)	(3,900.00)	(4,400.00)	(4,400.00)	(4,400.00)	(4,400.00)
Cash From Operations													
Medicaid	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00				900.00
Medicare													-
Cash Receipts													-
Private Insurance													-
Other Payments													-
Total Receipts -Patient Services	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
Grants													
Section 330	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00				900.00
Other Federal													-
Total Federal Grants	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
State Grants													
MCHB	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00				900.00
TITLE X													-
TDH Title V													-
Other State Grants													-
Total State Grants	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
Other Cash Receipts													
Loan proceeds	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00				900.00
Cash from Equipment disposal													
Other													
Total Other Cash Receipts	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
Total Cash Receipts	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	-	-	-	3,600.00
TOTAL CASH AVAILABLE	500.00	-	(500.00)	(1,000.00)	(1,500.00)	(2,000.00)	(2,500.00)	(3,000.00)	(3,500.00)	(4,400.00)	(4,400.00)	(4,400.00)	(800.00)

ANY BPHC HEALTH CENTER Detail Cash Flow Budget													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
CASH DISBURSEMENTS													
Payables													
Current accounts payable	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00				900.00
Long Term notes payable													
Short Term notes payable													
Other Payables													
Total Payables	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
Payroll													
Salaries	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00				900.00
Overtime													
Total Payroll	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
Fringes													
Fica	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00				900.00
Employee medical insurance													
Unemployment insurance													
Retirement payments													
Total Fringes	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
Travel													
Employee Board	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00				900.00
Total Travel	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00

Cash requirements for debt service and negotiated debt reduction activities can be addressed here. The narrative to the recovery plan budget should describe the long term specifics and characteristics of debt reduction actions.

ANY BPHC HEALTH CENTER Detail Cash Flow Budget													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Supplies													
Medical	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00				900.00
Dental													
Administrative													
Facilities													
Minor Tools & Equipment													
Linen Laundry & Replacements													
Other Health													
Other													
Laboratory supplies													
Janitorial Supplies													
Total Supplies	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
Prepaid													
Insurance - Facilities & Equipment	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00				900.00
Insurance - Malpractice													
Insurance - Liability													
Other													
Total Prepays	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
Contracts													
Medical	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00				900.00
Dental													
Specialty Care													
X-ray													
Laboratory													
Other													
Locum tenums - Medial													
Locum tenums - Dental													
Total Contracts	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
Equipment Purchases	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00				900.00

ANY BPHC HEALTH CENTER Detail Cash Flow Budget													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Other Expenses													
Rent	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00				900.00
Utilities													
Telephone													
Insurance													
Legal Fees													
Equipment Maintenance													
Milage													
Cleaning Services - Buildings													
Malpractice Insurance													
Equipment Rental													
Answering Service													
Postage and Delivery													
Dues and Membership													
Audit													
Recruitment and Retention													
Interest Expense													
Computer Maintenance Agreements													
Consulting Services													
Equipment Lease Contracts													
Security Expense													
Staff Training													
Professional Training													
Board Expense													
Building Maintenance													
Total Other Expenses	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
TOTAL CASH DISBURSEMENTS	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	-	-	-	7,200.00
ENDING CASH BALANCE	(400.00)	(900.00)	(1,400.00)	(1,900.00)	(2,400.00)	(2,900.00)	(3,400.00)	(3,900.00)	(4,400.00)	(4,400.00)	(4,400.00)	(4,400.00)	(8,000.00)

STATEMENT OF CASH FLOW YEAR ENDING SEPTEMBER 20XX	ANY BPHC HEALTH CENTER STATEMENT OF CASH FLOW												
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
BEGINNING CASH BALANCE	100.00	(300.00)	(1,700.00)	(2,100.00)	(2,500.00)	(2,900.00)	(3,300.00)	(3,700.00)	(4,100.00)	(4,500.00)	(4,500.00)	(4,500.00)	(4,500.00)
Patient Services Reciepts	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
Federal Grants Reciepts	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
State Grants Reciepts	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
Other Cash Reciepts	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
TOTAL CASH RECEIPTS FROM OPERATIONS	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	-	-	-	3,600.00
CASH DISBURSEMENTS													
To Payables	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
To Payroll	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
To Fringes	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
To Travel	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
To Supplies	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
To Prepaids	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
To Contracts	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
To Other Expenses	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-	-	900.00
TOTAL CASH DISBURSEMENTS FOR OPERATIONS	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	-	-	-	7,200.00
INCREASE/(DECREASE) IN CASH FROM OPERATIONS	(400.00)	(400.00)	(400.00)	(400.00)	(400.00)	(400.00)	(400.00)	(400.00)	(400.00)	-	-	-	(3,600.00)
NON-OPERATING CASH RECEIPTS													
Loan Proceeds													
Grants Restricted for													
Other Non-Operating Cash													
TOTAL CASH AVAILABLE	(400.00)	(400.00)	(400.00)	(400.00)	(400.00)	(400.00)	(400.00)	(400.00)	(400.00)	-	-	-	(3,600.00)
Capital Purchases		1,000.00											1,000.00
Debt Service													-
Other													-
ENDING CASH BALANCE	(300.00)	(1,700.00)	(2,100.00)	(2,500.00)	(2,900.00)	(3,300.00)	(3,700.00)	(4,100.00)	(4,500.00)	(4,500.00)	(4,500.00)	(4,500.00)	(4,500.00)